March 9, 2000

Our Reference: WA-TX 0181.90.02

Ms. Linda K. Wertz, State Medicaid Director Texas Health and Human Services Commission Post Office Box 13247 Austin, Texas 78711

Dear Ms. Wertz:

I am responding to your recent correspondence by approving another 90-day temporary extension of your Home and Community-Based Services Waiver (HCBSW) No. 0181.90.02 for the Medically Dependent Children Program (MDCP). This HCBSW program expires on March 12, 2000. This temporary extension is to ensure continued operation of the waiver program pending approval of the renewal request. The renewal request adds a hospital level of care and makes other significant changes in services to the waiver. Our staff has worked closely with members of your staff regarding the complexity of this waiver renewal. With the assistance from staff in the Center for Medicaid and State Operations, we have successfully identified the targeting subsample for the hospital level of care and feel that the renewal concerns should be resolved within the near future.

Because a decision regarding renewal of this waiver could not be finalized before the current program expires on March 12, 2000, I am granting the State of Texas a sixteenth (16) 90-day temporary extension of HCBSW No. 0181.90.02. The program is approved under authority of section 1915(c) of the Social Security Act. The extension allows you to continue waiver services from March 13, 2000 through June 11, 2000 with Federal financial participation at the per capita cost and utilization levels approved for the fifth year of the current waiver program.

If you have any questions, please contact Joe Reeder at (214) 767-4419.

Sincerely,

James Randolph Farris, M.D. Regional Administrator

cc: Director, Center for Medicaid and State Operations